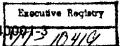
## Approved For Release 2004/05/05 : CIA-RDP80M00165A00070004



DCI/IC 77-2399

\$ 1 DEC 1977

MEMORANDUM FOR:	Director of Central Intelligence
FROM:	John N. McMahon Acting Deputy to the DCI for the Intelligence Community
SUBJECT:	Report to the Senate Select Committee (Intelligence) (SSCI) on Improving the Quality of Analysis
	Requested: That you approve the subject report and of transmittal to the SSCI.
2. <u>Backgro</u>	und:
SSCI by Nov taken to im SSCI asked sufficientl	The SSCI classified report on the FY 1978 NFIP ested a substantial number of studies be furnished the ember 1977. One such study was a report on steps to be prove the quality of the Community's analytic work. The that the report cover objectives, goals and plans in y specific terms to enable an evaluation of actions n the FY 1979 budget. Twelve specific subjects were ssed:
-	the balanced use of all sources of intelligence;
-	the use of outside experts and contractors;
-	the development of area specialists' programs;
-	the utilization of clandestinely acquired data;
-	the value and use of unclassified data;
~	the role of libraries and reference facilities;
-	the impact of security restrictions on access to data;
	improving analytic techniques, both quantitative alitative;
-	the grade levels and promotion opportunities for

25X1

25X1

25X1

analysts in each agency;

## SECRET Approved For Release 2004/05/05 : CIA-RDP80M00165A000700040001-3

í	SUBJECT: Report on Improving the Quality of Analysis for the Senate Select Committee (Intelligence) (SSCI)	25X1		
	- the role of adversary processes in improving the quality of products;			
	- the role of presentational techniques; and			
-	<ul> <li>the use of productsparticularly national intelligence estimatesby consumers.</li> </ul>	-		
25X1	bThe requested report, together with a letter of transmittal for your signature, is attached.			
25X1	c. The report addresses all of the points of interest outlined in the SSCI request. However, in accordance with established policy, dollar figures relating to the report, as well as the twelve subjects of specific SSCI interest, were scrubbed out of the text, pending approval of the FY 1979 NFIP budget.			
25X1	d. Based on currently available data, your recommended NFIP budget includes approximately for actions which program managers perceive as furthering the goal of higher quality analysis. These actions are apportioned among various Consolidated Decision Unit Packages as follows:			
	Consolidated Decision Units \$(K) % Total Budget			
	Production Production Support ADP	25X1		
	Other Support			
	TOTALS			
25X1	Thus, proposed actions to improve the quality of analysis account for approximately 22 percent of the total NFIP production, production support and ADP budget  The major portion of the is concentrated in the following areas of SSCI interest:	25X1		

	SFCRT Approved For Release 2004/05/05 : CIA-RDP80M00165A000700040001-3	
í	`SUBJECT: Report on Improving the Quality of Analysis for the Senate Select Committee (Intelligence) (SSCI)	25X1
	- Improving analytic techniques -	25X1
	- Outside experts/contractors -	25X1
25X1	<ul> <li>Use of unclassified data/libraries/reference facilities -</li> </ul>	-
25X1	3. Staff Positions: The report was prepared by the IC Staff (OPEI) based on inputs provided by Community elements (NFAC, CIA/ORD, DIA, NSA, USA, USN, USAF, USMC, DOE, and State/INR) and other IC Staff offices. A draft of the report was circulated for comment (not concurrence) to the contributors. Their comments and modifications have been accommodated wherever possible in the report. No significant disagreements in substance have been voiced.	
	4. Recommendations:	· 2
25X1	aThat you review and approve the report and sign the letter of transmittal to the Chairman of the SSCI.	
25X1	b. $\square$ That, if you approve $\underline{a}$ , authorization be granted to provide an information copy to the House Permanent Select Committee on Intelligence.	
	John N. McMahon	25X1
	Attachments: 1 - Letter of transmittal to the SSCI	
	2 - Report on Improving the Quality of Analysis	
		•
	APPROVED: Director of Central Intelligence	
·	DISAPPROVED:  Director of Central Intelligence	

\_\_\_\_\_

27 DEC 1977

DATE: